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| Form 4605-A | | Department of the Treasury — Internal Revenue Service | |
| Examination Changes - Partnerships, Fiduciaries, S Corporations, and Interest Charge Domestic International Sales Corporations (Unagreed and Excepted Agreed) | | | |
| Name and address HOVENSA, LLC 1 ESTATE HOPE CHRISTIANSTED, USVI 00851-0127 | | Employer Identification Number [REDACTED] | Form Number 1065 |
| | | Person Examination Changes Were Discussed With | Name Paul W. Oosterhuis Title Attorney / Power of Attorney |
| 1. Adjustments to ordinary, distributable net, or taxable income. | Period End: | Period End: | Period End: 2008 |
| a. See Attachment "A" Itemized List of Adjustments | | | \$1,040,662,103 |
| b. | | | |
| c. | | | |
| d. | | | |
| e. | | | |
| f. | | | |
| g. | | | |
| 2. Total adjustments to ordinary, distributable net, or taxable income. | | | \$1,040,662,103 |
| 3. Ordinary, distributable net, or taxable income as reported. | | | (135,922,125) |
| 4. Corrected ordinary, distributable net, or taxable income. | | | 904,739,978 |
| 5. Other adjustments | | | |
| a. Alternative Minimal Tax | | | 24,615,170 |
| (1) Adjustment | | | |
| (2) As Reported | | | |
| (3) Corrected | | | |
| b. Substantial Understatement Penalty - Section 6661 | | | |
| (1) Adjustment | | | |
| (2) As Reported | | | |
| (3) Corrected | | | |
| Remarks | | | |

| | | | |
|-----------------------|--------------|---------------|------------|
| Examiner's Signature: | Employee ID: | Area Office: | Date: |
| Name Ruth B. Jackson | | St Croix USVI | 12-17-2014 |

Form **4605-A** (Rev. 12-2010) Catalog Number 41817X publish.no.irs.gov Department of the Treasury — Internal Revenue Service

Taxpayer: HOVENSA, LLC

TIN: [REDACTED]

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Form 4605-A – Other Adjustments (Continued)

| | Period End: | Period End: | Period End: 2008 |
|--|-------------|-------------|------------------|
| Accuracy-related Penalty - Sections 6662 (b)(1) & 6662(B)(2) | | | |
| (1) Adjustment | | | |
| (2) As Reported | | | |
| (3) Corrected | | | |
| (1) Adjustment | | | |
| (2) As Reported | | | |
| (3) Corrected | | | |
| (1) Adjustment | | | |
| (2) As Reported | | | |
| (3) Corrected | | | |
| (1) Adjustment | | | |
| (2) As Reported | | | |
| (3) Corrected | | | |
| (1) Adjustment | | | |
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| (1) Adjustment | | | |
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| (1) Adjustment | | | |
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| (1) Adjustment | | | |
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| (3) Corrected | | | |
| (1) Adjustment | | | |
| (2) As Reported | | | |
| (3) Corrected | | | |
| (1) Adjustment | | | |
| (2) As Reported | | | |
| (3) Corrected | | | |

Attachment "A" Itemized List of Adjustments

HOVENSA, LLC

1065 / 2008

Adjustments to ordinary distributable net, or taxable income:

| | | | |
|-------|----------------------------------|------------|-----------------|
| A. | Cost of Good Sold | | \$724,705,761 |
| B. | Salary & Wages | | 1,927,028 |
| C. | Depreciation | | 158,368,853 |
| D. | Interest Expense | | 607,158 |
| E. | Employee Benefits | | 74,218 |
| F. | Other Deductions (Various) | | 8,805,947 |
| | Professional Fees | \$ 551,767 | |
| | Travel & Lodging | 133,194 | |
| | Supplies | 1,349,120 | |
| | Miscellaneous Expenses | 6,771,866 | |
| G. | 2007 Accruals-Variou | | 10,251,013 |
| | Repairs & Maintenance | 1,942,261 | |
| | Legal Expenses | 612,029 | |
| | Professional Fees | 2,718,201 | |
| | Travel & Lodging | 89,596 | |
| | Business Meal & ENT | 7,882 | |
| | Supplies | 741,766 | |
| | Miscellaneous Expenses | 254,610 | |
| | Demurrage | 1,479,521 | |
| | Purchases | 2,405,147 | |
| H. | Ordinary Loss Claimed per Return | | 135,922,125 |
| ----- | | | |
| | TOTAL: Form 4605-A | | \$1,040,662,103 |